them. The Government propose to undertake reforms in this Sector in a phased manner based on these recommendations.

(d) The measure taken by Government for reforming the financial sector in the country include reduction of statutory liquidity and cash reserve requirements, development of Government securities market, rationalisation of the interest structure, strengthening of banking supervision and encouraging competion through entry of new private sector banks. The broad approach to further reform in this direction being considered by the Government are contained in Discussion Paper titled "Public Sector Commercial Banks and Financial Sector Reforms; Rebuilding for a Better Future", copies of which have been placed in the Parliament Library.

S.T.D. Facilities in the Towns of Punjab

*8. SHRI VIRENDRA KATARIA: Will the Minister of COMMUNICATIONS be pleased to state:

(a) in how many towns has STD been provided in Punjab, how many towns are still without this facility and during the coming financial year, 1994-95, how many towns are proposed to be covered by STD in Punjab;

(b) whether it is a fact that at many places in Punjab where STD facility is provided the maturity rate is less than 20 per cent; if so, the causes thereof; and

(c) what steps are being taken to improve this service?

THE MINISTER OF STATE OF THE MINISTRY OF COMMUNICATIONS (SHRI SUKH RAM): (a) (i) 87 towns have been provided with STD facility.

(ii) 33 towns are still to be provided with STD facility.

(iii) 5 towns are proposed to be connected with STD facility during this year, by March, 1994.

(iv) 18 towns are proposed for STD facility during 1994-95.

(b) yes, Sir. The causes are:—

(i) At some places local exchanges are non-electronic.

(ii) At some places number of STD circuits are inadequate to carry the traffic, because of shortage of transmission media.

(iii) TAX at Bhatinda is electromechanical type.

(iv) The STD circuits to some stations are working on overhead alignment & more fault prone.

(c) The steps taken to improve the service are:—

(i) Local exchanges of old technology are planned to be replaced by electronic.

(ii) Additional circuits are planned to be provided on congested STD routes by providing reliable transmission media.

(iii) TAX at Bhatinda is being replaced by electronic type.

(iv) Plans have been drawn to replace overhead alignment by reliable media.

Free Convertibility of Rupee Currency

*9. SHRI G. G. SWELL:
SHRI CHIMANBHAI MEHTA:

Will the Minister of FINANCE be pleased to state:

(a) how and why free convertibility of the rupee currency would further depreciate the rupee;

(b) what are the main features of free convertibility;

(c) whether Indian Industry, trade or international monetary agencies have suggested free convertibility of currency; and

(d) what are the advantages and disadvantages of conversion?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY